

# COVID-19 Emergency Rental & Mortgage Assistance Program Discussion

City of Newton Presentation  
to Community Preservation Committee

April 14, 2020

# Covid-19 Emergency Rental & Mortgage Assistance Program

- ▶ Short Term Assistance for those negatively impacted by the Covid-19 situation
- ▶ Primarily focused on households that are not currently receiving any other housing assistance
- ▶ Applicants are eligible for up to 3 months of assistance
  - Payment standards per # of bedrooms to be developed to determine max amount of assistance per household per month
  - Assistance can cover rent/mortgage payments and utilities

# Covid-19 Emergency Rental & Mortgage Assistance Program, cont'd

- ▶ One Program to be funded by two sources: Newton CDBG and CPA Funds
- ▶ Program to be administered by a third-party agency
- ▶ Funds will be available to those at or below 100% AMI (at time of application)
  - CDBG funds only to be used for households at or below 80% AMI
  - CPA Funds can be used for households up to 100% AMI

# Proposed Funding Sources and Estimated Funding Amounts

CPA Funding	\$2,000,000
CDBG Funding	<u>\$500,000</u>
Total Program Funding	\$2,500,000

- ❖ Estimated average assistance per household per month = \$2,250
- ❖ Up to 3 months of assistance per household = \$6,750 average estimated total assistance per household
- ❖ Program administration fee of approximately 7.5% of total program funding = \$187,500
- ❖ Anticipated funding for approximately 330 households to be served by program

# Allowable Funding Limits of Program(update)

FY2020 Income Limits Summary - Newton, MA					
Income Level	Household Size				
	1	2	3	4	5
30% AMI	\$26,850	\$30,700	\$34,550	\$38,350	\$41,450
50% AMI	\$44,800	\$51,200	\$57,600	\$63,950	\$69,100
65% AMI	\$54,145	\$61,880	\$69,615	\$77,350	\$83,538
80% AMI	\$67,400	\$77,000	\$86,650	\$96,250	\$103,950
100% AMI (CPA Funds Only)	\$83,300	\$95,200	\$107,100	\$119,000	\$128,520

# Rental Assistance Programs in Neighboring Communities

Community	Funding Amount	Funding Source	In-House or Outside Provider?	AMI Cap	Lottery or First Come/Serve	Maximum Assistance per household	Length of Assistance	Type of Assistance
Boston	\$3 Million	City Funds	Both	80% AMI	Lottery	\$4,000		Rent
Brookline	?	CDBG Funds	Outside Providers	80% AMI			One time	Unknown
Cambridge	\$3.2 Million	Mayor's Relief Fund	In-House	100% AMI	First Come, First Served	\$4,000		Rent Mortgage* Utilities
Waltham	\$150,000	CPA/ Mayor Care Fund	In-House	No Income Limit	First Come, First Served	No Limit	One Month	Rent Mortgage Utilities

\*Mortgage assistance only for homes purchased through City's Affordable Homeownership Programs

# Next Steps

- ▶ Identify Third Party Partner
- ▶ Confirm Payment Standard per # of Bedrooms
- ▶ Review Regulatory Requirements of CDBG and CPA Programs
- ▶ Submit Funding Proposal to CPC